

PETITION FOR RECONSIDERATION

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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In the Matter of)

Amendment of Part 90 of the)
Commission's Rules to Facilitate)
Future Development of SMR Systems)
in the 800 Mhz Frequency Band)

PR Docket No. 93-144

Implementation of Sections 3(n) and 322)
of the Communications Act -)
Regulatory Treatment of Mobile Services)

GN Docket No. 93-252

Implementation of Section 309(j))
of the Communications Act -)
Competitive Bidding)

PP Docket No. 93-253

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PETITION FOR RECONSIDERATION

In accordance with Section 1.429 of the Federal Communications Commission's Rules and Regulations, Federal Express Corporation (FedEx) hereby files this Petition for Reconsideration of the First Report and Order, Eighth Report and Order and Second Further Notice of Proposed Rules Making in the above referenced proceedings. This decision was published in the Federal Register on February 16, 1996.

Specifically, we ask the FCC to reconsider its decision to reallocate the 800 Mhz General Category channels exclusively for SMR use.

The reallocation and auction of General Category channels will cause irreparable damage to the internal communications systems of the nation's critical industries. The economic infrastructure will not be the only communications networks affected - the public-safety sector will also be harmed.

FedEx is the world's largest express transportation company, providing fast and reliable services for more than 2.4 million items in 210 countries each working day. The company employs more than 119,000 people and operates more than 500 aircraft, 37,000 vehicles and nearly 180,000 Powership (R) and FedEx Ship (TM) automated systems in its integrated global network.

FedEx has been, and continues to be, an innovator in the use of wireless data communications. FedEx began using data communications on 800 Mhz General Category channels in 1980 after our business grew to a point where there was not enough air time, on even an exclusive channel, to voice dispatch our vehicle fleet.

Currently, FedEx handles over 3.3 million data transactions per day, using over 40,000 wireless devices and over 700 radio sites on 800 Mhz channels. Over 25 percent of this equipment and data traffic are on General Category channels.

Continued access to General Category channels is critical to the future growth of our 800 Mhz network. Additionally, with over 165 stations on the same frequency in the General Category band, the lack of access to this particular General Category channel will result in substantial re-engineering of the FedEx nationwide network.

We believe the FCC has gone beyond its statutory authority to conduct spectrum auctions. The Communications Act does not allow the FCC to auction spectrum that is used for internal industrial, public safety and business communications systems. Over 3,400 private wireless users rely on more than 10,000 systems for critical internal communications in the 800 Mhz General Category Pool.

Auctioning the General Category channels is simply bad public policy. With nearly 15,000 public safety and industrial licenses issued on General Category channels nationwide, millions of dollars in embedded internal telecommunications equipment will be jeopardized by this FCC initiative.

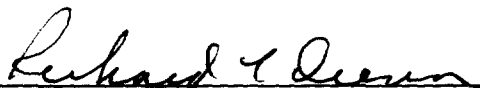
In a recent letter to FCC Chairman Hundt, Senators Larry Pressler and Thomas Daschle stated that auctions are only to be used in cases of mutually exclusive license applications. The letter went on to say that the “opportunity to generate revenue was not to be used as justification for ignoring this direction.”

Other congressional representatives have spoken out on this issue. The Bureau of National Affairs, Inc., recently quoted Representative Mike Oxley (R-Ohio) as saying that spectrum actions “cannot be budget-driven, [they have] to be policy-driven.” Senate Majority Whip Trent Lott (R-Mississippi) added that dealing with spectrum “as a budget number is a mistake.”

The reallocation and proposed auction of the General Category Pool channels are not being driven by sound public policy. Instead, raising revenue seems most definitely to be the motivation behind the FCC’s actions in the proceeding. This is contrary to the congressional intent.

In conclusion, we strongly urge the FCC to act favorably upon this Petition for Reconsideration and preserve private wireless access to General Category frequencies at 800 Mhz. We are not asking the FCC to preclude use of these frequencies by SMR systems. Rather, we simply request the Commission to preserve the ability of industrial, public safety and business eligibles to apply for and use 800 Mhz General Category channels.

Respectfully submitted,
FEDERAL EXPRESS CORPORATION


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Dated: March 15, 1996